

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO.804 OF 2007
IN
COMPANY APPLICATION NO. 788 OF 2007

IN THE MATTER OF COMPANIES ACT,
1956

AND

IN THE MATTER OF SECTIONS 78, 100,
391, 392, 393 AND 394 OF THE
COMPANIES ACT, 1956

VINYL CHEMICAL (INDIA) LIMITED

...TRANSFEROR COMPANY

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO.805 OF 2007
IN
COMPANY APPLICATION NO. 789 OF 2007

IN THE MATTER OF COMPANIES ACT,
1956

AND

IN THE MATTER OF SECTIONS 391, 392,
393 AND 394 OF THE COMPANIES ACT,
1956

PIDILITE INDUSTRIES LIMITED

...TRANSFEREE COMPANY

SENIOR COUNSEL MR. VIRAG TULZAPURKAR ALONG WITH MR. KUNAL VAJANI AND MS. VEDANGI
TULZAPURKAR I/B. M/S. WADIA GHANDY & CO., ADVOCATES FOR THE TRANSFEROR AND
TRANSFEREE COMPANY

MR. C.J. JOY ALONG WITH MR. N. D. SHARMA AND MR. S. K. MOHAPATRA FOR THE REGIONAL
DIRECTOR IN BOTH THE PETITIONS.

CORAM: A. M. KHANWILKAR J.

DATE: DECEMBER 14, 2007

PC:

1. HEARD COUNSEL FOR PARTIES.
2. THE SANCTION OF THE COURT IS SOUGHT UNDER THE SECTIONS 391 TO 394 OF THE
COMPANIES ACT, 1956 IN RESPECT OF SCHEME OF ARRANGEMENT FOR THE
DEMERGER OF THE VINYL ACETATE MONOMER MANUFACTURING UNIT OF VINYL

CHEMICALS (INDIA) LIMITED, THE TRANSFEROR COMPANY INTO PIDILITE INDUSTRIES LIMITED, THE TRANSFEREE COMPANY.

3. COUNSEL APPEARING ON BEHALF OF THE TRANSFEROR AND TRANSFEREE COMPANY HAS STATED THAT THEY HAVE COMPLIED WITH ALL THE REQUIREMENTS AS PER DIRECTIONS OF THE COURT AND THEY HAVE FILED NECESSARY AFFIDAVITS OF COMPLIANCE IN THIS HON'BLE COURT.
4. THE REGIONAL DIRECTOR HAS FILED AN AFFIDAVIT STATING THEREIN THAT THE SCHEME PROVIDES FOR INCREASE OF THE AUTHORISED SHARE CAPITAL OF THE TRANSFEREE COMPANY AND THEREFORE THE TRANSFEREE COMPANY BE DIRECTED TO COMPLY WITH THE PROVISIONS OF SECTIONS 94 AND 97 READ WITH SCHEDULE X OF THE COMPANIES ACT, 1956 AND FILE THE NECESSARY FORMS WITH THE REGISTRAR OF COMPANIES AFTER PAYMENT OF NECESSARY FEES AND STAMP DUTY, AS APPLICABLE. THE REGIONAL DIRECTOR HAS FURTHER STATED THAT THE SCHEME IS NOT PREJUDICIAL TO THE INTEREST OF CREDITORS AND SHAREHOLDERS AND PUBLIC. THE TRANSFEREE COMPANY HOWEVER UNDERTAKES TO COMPLY WITH THE PROVISIONS OF SECTIONS 94 AND 97 READ WITH SCHEDULE X OF THE COMPANIES ACT, 1956 AND FILE THE NECESSARY FORMS WITH THE REGISTRAR OF COMPANIES AFTER PAYMENT OF NECESSARY FEES AND STAMP DUTY, IF APPLICABLE.
5. UPON PERUSAL OF THE ENTIRE MATERIAL ON RECORD, THE SCHEME APPEARS TO BE FAIR AND REASONABLE AND IS NOT VIOLATIVE OF ANY PROVISIONS OF LAW AND IS NOT CONTRARY TO ANY PUBLIC POLICY. NONE OF THE PARTIES CONCERNED HAVE COME FORWARD TO OPPOSE THE SCHEME.
6. CLAUSE 12 OF THE SCHEME PROVIDES THAT IN CONSIDERATION OF THE DEMERGER THE TRANSFEREE COMPANY SHALL ALLOT ITS SHARES TO THE SHAREHOLDERS OF THE TRANSFEROR COMPANY IN THE MANNER SPECIFIED THEREIN. IT ALSO PROVIDES THAT AT THE TIME OF ALLOTMENT IN THE EVENT THERE BEING ANY FRACTION WHICH IS LESS THAN HALF, THE SAME SHALL BE IGNORED AND IN THE EVENT THE FRACTION EXCEEDING HALF, THE SAME SHALL BE CONSIDERED AS ONE FULL SHARE. IT IS CLARIFIED THAT IN THE EVENT THE FRACTION BEING EXACTLY HALF THE SAME SHALL BE CONSIDERED AS ONE FULL SHARE.
7. IN SPITE OF PUBLICATION OF THE HEARING OF THIS PETITION, NO OBJECTION HAS BEEN FILED NOR HAS ANY OBJECTION COME FORWARD TO OPPOSE THIS PETITION. ACCORDINGLY, PETITION IS MADE ABSOLUTE IN TERMS OF PRAYER CLAUSES (A), (B) AND (C).
8. THE REGISTRATION BY THE REGISTRAR OF COMPANIES, MUMBAI, OF THIS ORDER, BE PUBLISHED ONCE EACH IN "FREE PRESS JOURNAL" IN ENGLISH AND "MAHARASHTRA TIMES" IN MARATHI AND ALSO IN THE MAHARASHTRA GOVERNMENT GAZETTE.

9. THE TRANSFEREE COMPANY TO LODGE COPY OF THIS ORDER AND THE SCHEME WITH THE CONCERNED SUPERINTENDENT OF STAMPS FOR THE PURPOSE OF ADJUDICATION OF STAMP DUTY PAYABLE, IF ANY, ON THE SAME WITHIN 30 DAYS OF OBTAINING THE AUTHENTICATED AND/OR CERTIFIED COPY OF THIS ORDER.
10. THE TRANSFEROR AND THE TRANSFEREE COMPANY TO PAY COSTS OF RS.5,000/- EACH TO THE "PAY & ACCOUNTS OFFICER, MINISTRY OF CORPORATE AFFAIRS". COSTS TO BE PAID WITHIN 4 WEEKS FROM TODAY.
11. FILING AND ISSUANCE OF THE DRAWN UP IS DISPENSED WITH. ALL CONCERNED AUTHORITIES TO ACT ON A COPY OF THIS ORDER DULY AUTHENTICATED BY THE COMPANY REGISTRAR HIGH COURT, BOMBAY.

(A. M. KHANWILKAR J.)